

C. DUKES SCOTT  
EXECUTIVE DIRECTOR

1401 Main Street, Suite 200  
Columbia, SC 29201



Phone: (803) 737-0800  
Fax: (803) 737-0986

DAN F. ARNETT  
CHIEF OF STAFF

JOHN W. FLITTER  
DIRECTOR  
ELECTRIC & GAS REGULATION

January 25, 2011

**VIA ELECTRONIC FILING**

The Honorable Jocelyn G. Boyd  
Chief Clerk & Administrator  
**Public Service Commission of South Carolina**  
101 Executive Center Drive  
Columbia, South Carolina 29210

**Re:** Petition of South Carolina Electric & Gas Company for an Order Authorizing the Withdrawal of Certain Funds from its Storm Damage Reserve Fund to Offset Those Costs Incurred in Connection with its Tree Trimming and Vegetation Management Programs for its Electric Transmission and Distribution Systems

**Docket No. 2008-416-E**

Dear Ms. Boyd:

This is to acknowledge that the Office of Regulatory Staff ("ORS") has reviewed the above referenced filing and has no objection to the proposed accounting order authorizing South Carolina Electric & Gas ("SCE&G" or "Company") to withdraw up to \$1.8 million from its Commission-approved Storm Damage Reserve Fund during calendar year 2011. The Company proposes to use these funds to offset incremental expenses incurred in its efforts to accelerate its tree trimming and vegetation management programs for its electric transmission and distribution systems. This request will not require change to any of the Company's retail rates or prices.

If the Commission is inclined to grant this request, ORS would recommend including a provision in the order requiring SCE&G to report the following information:

- Mid Year Reports: (Due August 15, 2011 and February 15, 2012)
  - Show progress through June 30, 2011 and December 31, 2011
  - Include the vegetation management plan
  - Identify those circuits SCE&G has cleared
  - Show cost per circuit, if possible
  - Include before and after pictures
  - Before and after data of outages, if available
- Meeting with ORS: (On or before December 31, 2011)
  - Provide updates and progress

(Continued...)

Thank you for the opportunity to provide our comments in this matter.

Sincerely yours,



John W. Flitter

JWF/swb

cc: Dan F. Arnett, Chief of Staff, SC ORS  
Nanette S. Edwards, Chief Counsel, SC ORS  
Jeffrey M. Nelson, Esquire, SC ORS  
K. Chad Burgess, Associate General Counsel, SCANA  
Dr. James Spearman, Executive Assistant, SC PSC